

On April 10, Brianna Caddell, 8 years old, was shot and killed while she was sleeping in her bed. Brianna, her mother Pamela Martin, and her grandmother Dorothy Caddell were fixtures at Truth Evangelical Lutheran Church.

Antoine Foote also involved in drug turf wars, was charged with her murder. According to police, he sprayed more than two dozen rounds at the house with an AK-47.

Brianna was a third grader at the John C. Marshall Elementary School. One of Brianna's classmates, Oshinique Mapp, wants to become a policewoman or doctor or teacher so she can "change the bad people." Another classmate, Jeremiah Russell, wants to go to college so he can get away from the drug dealers in his neighborhood.

On April 19, Irisha Keener, 3 years old, was shot in the head by her mother, as the two lay in bed. Her mother then committed suicide.

On April 30, Cherrel Thomas, 15 years old, was shot and killed while riding in the back seat of a Chrysler Concorde. Cherrel, by the way, was a freshman at McKenzie High School where she played trombone and baritone tuba in the school marching band and jazz ensemble. Terrill Johnson and Jesse Freeman were charged with that murder.

On May 26, Tiffany Taylor, 15 years old, was fatally shot in the head while riding in a car in Mt. Clemens with friends coming home from a roller skating party at the Great Skate Rink in Roseville. Tiffany was a freshman at Roseville Junior High School, where she was on the honor roll and led after-school programs. Police believe that someone in an abandoned house frequently used by drug dealers and addicts fired five rounds from a handgun at Tiffany as she rode by—for no apparent reason.

On June 2, DeAntoine Trammell, 10 years old, was shot and killed in his grandmother's apartment on Detroit's east side. According to eyewitnesses, the person who killed him came to the house drunk and distraught, threatened to commit suicide, then fired two shots into the kitchen wall instead. The bullets pierced the wall and went into an adjacent bedroom. Moments later, Shawn Trammell, DeAntoine's 14-year-old brother, carried his bloody body into the kitchen. The boys' mother collapsed in shock. Shawn shouted out, "Come on, Mama, come on. He's breathing!" They rushed DeAntoine to a clinic but were turned away because it is not a trauma center. DeAntoine died a day later at St. John Hospital.

DeAntoine was a fifth-grader at Bow Elementary School. His basketball team was scheduled to receive a trophy the day after he died. He loved sports, video games, cartoons, and pizza, and often helped out in the school cafeteria.

The week before DeAntoine was killed, he had been paired with Keefe Brooks, 48, a Bloomfield Hills lawyer, as part of the V.I.P. Mentors program.

According to the Detroit Free Press, Brooks wanted to show DeAntoine the possibilities life held for him. "I had hoped to expose him to successful people in the city, to help him build positive images and role models," Brooks said. "I cannot bear the thought of my match having been taken from our world before I even got to know him. I cannot bear the thought of more children being slaughtered in our city."

Gun violence is still an epidemic in our cities. A teenager today is more likely to die of a gunshot wound than of all natural causes of disease. Yet we seem incapable of requiring background checks at gun shows even though the President said he would support doing so when he campaigned in 2000. We seem incapable of requiring gun manufacturers to include trigger locks with their products even though we can regulate just about every other product under the sun. We need to pass these common-sense measures to help stanch the flow of guns and blood in our cities. But the Attorney General files briefs that undermine the enforcement of existing hand gun control laws instead.

As a Nation, we hope and pray that 14-year-old Elizabeth Smart will be returned to her home in Salt Lake City safe and sound. But as a Nation, we overlook the death of Ajanee, and Destinee, and Alesia, and Christopher, and Brianna, and Irisha, and Cherrel, and Tiffany, and DeAntoine. We haven't seen home videos of them on the evening news, but we should. Their families and friends and communities feel the anguish alone.

Is it resignation? Worse yet, is it indifference? I hope neither.

Some in Detroit have responded to the epidemic. The Detroit Police Department and the Wayne County Prosecutor have launched Project Safe Neighborhoods so that criminals who use guns will be prosecuted in federal courts. They have launched Project Destinee, which is an attempt to dismantle the two rival drug gangs whose members have been implicated in that child's murder. The city has Child Death Review Teams to learn everything possible about the murders. People are joining SOSAD, Save Our Sons And Daughters, an organization Clementine Barfield started after her son Derick was killed in 1986, and the Detroit chapter of the Million Mom March, which Shikha Hamilton runs. Other groups involved include the Neighborhood Service Organization, Youth Initiatives Project, and Pioneers for Peace.

On Saturday, May 11, a massive community forum on violence was held at Second Ebenezer Baptist Church. On May 16, a group of 350 religious leaders met at the Northwest Activity Center to kick off their Positive Youth Development Initiative, a collaborative effort among government, religious, and community leaders to help at-risk children. On June 11, Detroit Mayor Kwame Kilpatrick announced a six-point program to curb the violence.

The funerals for the slain children have become impromptu community forums and rallies where people's determination and hope have commingled with their grief and outrage.

The Poet Langston Hughes asked:

What happens to a dream deferred?
Does it dry up
Like a raisin in the sun?
Or fester like a sore—
And then run?
Does it stink like rotten meat?
Or crust and sugar over—
like a syrupy sweet?
Maybe it just sags
like a heavy load.
Or does it explode?

We have learned, sadly, that dreams deferred do explode—in gunfire. And we have seen, sadly, what happens when people don't even have the capacity or the chance to dream.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Ms. STABENOW. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. JOHNSON). Without objection, it is so ordered.

PUBLIC COMPANY ACCOUNTING REFORM AND INVESTOR PROTECTION ACT

Ms. STABENOW. Mr. President, I rise today to speak about important legislation that we will be considering as soon as we return from the Fourth of July recess.

In February of this year, the banking committee, of which the Chair is a member—and I appreciate the opportunity to serve with him—began a series of 10 hearings touching at ways to strengthen our accounting system, protect investors, and make needed reforms at the SEC.

We all understand every day the growing need to be able to do that.

Our hearings didn't necessarily make the headlines with subpoenas sent to Ken Lay of Enron or Andrew Fastow, but the work that we did I believe was incredibly important, very thorough and very thoughtful.

Chairman SARBANES, our chairman of the committee, is to be commended for his impressive leadership and thoughtfulness and hard work on this subject. At the end of the day, it is due to his commitment to doing this carefully and due to the commitment of my colleagues on the committee who followed panel after panel of witnesses closely—from former SEC Chairs, to Paul Volcker, to consumer groups, to well-respected academics—that we now have before us a bill that will ultimately make the biggest difference for investors and for the markets. We critically need this.

In March, in the midst of our marathon of hearings, I was very pleased to join with Senator DODD and Senator

CORZINE in the introduction of the Investor Confidence in Public Accountability Act of 2002. Our bill was, I believe, a good beginning, an excellent way to begin to tackle the problems about which we were learning. It was measured. It was strong.

I thank Chairman SARBANES for including many of the provisions of our bill in the ultimate bill that has been reported to the floor of the Senate.

This is an excellent bill. We need only to look at the vote in the committee. It passed 17 to 4. It has strong bipartisan support. I hope that support will continue on the floor of the Senate as we take up this legislation in the coming weeks.

But it also has its detractors. There are some, of course, who do not like the legislation. They make outlandish comments about Government takeovers of the accounting industry. But that is not the bill for which I voted. It is not the bill for which Chairman SARBANES voted. That is not the bill for which Senator ENZI, the Senate's very own accountant, voted.

I would like to explain briefly some of the key components of this bill and why they make sense.

In this legislation, we create a strong new regulatory public oversight board to establish and enforce accounting standards, quality control, and ethics standards for public companies. The evidence indicates it is no longer enough for the industry to police itself. Few people would contest that now.

That actually has been in debate over the last several years—two different philosophies, one coming in with a new administration in the House of Representatives back in the mid-1990s. I remember debating this with former Speaker Newt Gingrich and efforts to deregulate our industries and our oversight, with the idea there would be self-regulation and oversight.

We know now that there needs to be public accountability, transparency, openness. But there needs to be public accountability if there is going to be integrity in these systems and if people are going to be willing to invest.

The oversight board we have placed in this legislation would be independently funded by fees on public companies, therefore providing us insulation from the politics of the time. It would conduct regular inspections of accounting firms. The five-member board would have two people with accounting backgrounds and a balanced approach to the board.

We also establish new restrictions on the mixing of consulting services and auditing services, which are very important. We have seen, unfortunately, specific examples of where the mixing of these two services has created devastating results for people.

There has long been a concern that auditors may be tempted to overlook some questionable accounting practices in order not to lose lucrative consulting contracts from the companies they audit. This bill seeks to address

that problem without simply banning all consulting services. I think it is an important and reasonable and balanced approach.

Some services would be banned—bookkeeping, financial systems design, investment advice, human resources consulting—while others would have to be approved by the company's audit committee, such as tax services.

Of course, auditing companies would be able to offer any consulting services to a company they were not presently auditing.

We also ensure auditor independence, which is so critical.

Another concern raised in our 10 hearings was that sometimes, over time, auditors develop too cozy a relationship with the companies they audit. They become less critical and more accommodating. We addressed this in the bill we reported from committee.

The bill before us simply says that accounting firms would be required to rotate the leading auditor and review partners of an audit after 5 consecutive years of auditing a public company. It does not force companies to find a new auditor, it just simply requires a rotation of the auditor. Some have feared that this would be too extreme, and the bill is sensitive to those concerns. But we believe it is important that we ensure auditor independence.

Our bill also sets up an internal corporate whistleblower mechanism. This is one particular component of the bill about which I am especially pleased. The bill includes an amendment I offered regarding establishing corporate whistleblower mechanisms. I want to ensure that the audit committees of public companies establish a way for confidential, anonymous submissions of statements by employees regarding questionable accounting procedures.

With Enron and other scandals, people in the company knew there were problems but had nowhere to turn. They were trapped in a corporate culture which squashed dissent. My amendment guarantees that there will be a designated way to report problems to people who are in a position to do something about it, and it seeks to protect those employees who are simply acting in the best interests of their companies and their companies' investors.

I am glad to say that not only do I have the support of such people as my chairman but others, such as the Financial Services Roundtable, have weighed in to support this very important amendment.

Guarantees of new levels of corporate responsibility are also an important part of this legislation. A key component of the bill I am pleased to support is the new level of corporate responsibility required under this bill.

Under the bill that will be before us, audit committees must now be completely independent of management and will be responsible for the appointment, compensation, and oversight of

the auditors. The bill also ensures that during a blackout period, when companies are prohibited from selling stock, corporate leaders will also be barred from trading the stock.

Perhaps most significantly of all, this Congress has an opportunity to tell CEOs and CFOs that they must certify the accuracy of financial reports and will have to forfeit bonuses up to 12 months after an earnings misstatement which was brought about by material noncompliance with securities laws.

This is essential. We have had too many corporate leaders walk away from companies they have destroyed, with tens—and sometimes hundreds—of millions of dollars in their pocket while their employees find their pensions drained, their jobs gone, and their dreams destroyed.

This is a strong, comprehensive bill. It does not include every reform that we need, but I would like to take a moment to highlight another piece of legislation that I hope we will incorporate into the bill in its final passage. That is Senator LEAHY's Corporate and Criminal Fraud Accountability Act.

I am proud, also, to be a cosponsor of this important legislation because I think it is a very sound bill and gets to some of the serious reforms that corporate America needs to face. Among other things, it makes it a crime to destroy or conceal records with the intent to obstruct or influence a Federal investigation, such as an SEC examination into accounting malfeasance.

It also amends our Federal bankruptcy law to make penalties relating to the violation of certain Federal and State securities laws nondischargeable.

I am very happy to say the bill provides legal protections again for corporate whistleblowers, employees who report to regulators or Congress or their supervisors. I believe all of these provisions are important and will improve accountability for our country.

Prior to the committee vote on this bill, there was an emerging theme in the media that momentum was fading for strong reform. Powerful special interests, a few congressional opponents of reform were winning, it seemed. But all of that has changed. Unfortunately, the scandals we have seen emerging have reminded us once again of the importance to act. We have seen the stunning revelation regarding WorldCom and the billions of dollars of earnings misrepresented, the 17,000 jobs that will be lost; 17,000 people who did nothing wrong—they got up every day, they went to work, they did their jobs, they worked hard—now are suffering the consequences of a few people at the top who thought it better to cook the books than to represent their employees and their investors.

All of this, of course, came on the heels of Enron and Global Crossing and Tyco and Adelphia and Xerox. We need now only to look to the ongoing weaknesses in our capital markets to see why the 17-to-4 vote in our committee should not have been so surprising.

Investors are concerned. They are angry, and rightfully so. They wonder, can I trust the information companies are giving to me? How do we know if our stocks are valued appropriately? Which company is next?

What we are doing in the Senate is nothing less than trying to ensure the long-term viability of our capitalist system. We have a system that is the strongest and the best in the world, but something is broken. We need to act. A corporate culture of earnings mismanagement and gamesmanship, unfortunately, has prevailed in some quarters. It is casting a pall over too many other publicly traded companies. That is not right, and it has to stop.

We know the majority of companies have integrity. They are doing the right thing. They are providing accurate information. Our corporate leaders who are acting responsibly are the most concerned about what is happening. Too many honest, hard-working people at good, solid companies are indirectly suffering due to the malfeasance of a few greedy people.

As we move ahead, I look forward to working with my colleagues on both sides of the aisle, and with our Presiding Officer, to make sure what we did in committee can be done on the floor, and as quickly as possible.

Republicans such as the Senator from Wyoming, MIKE ENZI, have shown true leadership in joining with the chairman and 15 others on the committee. This is the first step. We need a strong, good debate on this bill and an overwhelming vote to send a message to investors, to pension holders, to hard-working employees and companies everywhere, to those corporate executives who are working hard and doing the right thing, that we are united and that we are serious about making sure their interests are protected. We will still have to reconcile this with a much, unfortunately, more modest version passed in the House, and we will have to send it to the President.

I hope the President will join us in the strongest possible bill. It is incredibly important that we help bring back the integrity and confidence so important in our markets. We are the greatest country in the world. We have had the greatest capitalist system, but there are serious problems today and serious questions. We have the responsibility to act in a way that will stabilize the economy, give investors confidence, let employees know that their pensions will be protected and their hard work will be recognized for the future, and that we will do the kinds of things that will allow us to continue the strongest economy in the world.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. NELSON of Nebraska). Without objection, it is so ordered.

Mr. BYRD. Mr. President, is the Senate conducting morning business at this point?

The PRESIDING OFFICER. That is correct.

Mr. BYRD. Are Senators permitted to speak therein?

The PRESIDING OFFICER. They are, for up to 10 minutes each.

Mr. BYRD. I thank the Chair. I ask unanimous consent that I may speak as long as I may desire.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONNECTING THE DOTS ON IRAQ

Mr. BYRD. Mr. President, over the last several weeks, a number of revelations have surfaced about how our intelligence agencies failed to analyze and connect the pieces of information that they obtained. According to these news accounts, while the September 11 attacks were a shock to the American people, they may not have been a total surprise to the intelligence arms of our Government.

While there is no smoking gun to indicate that the FBI, the CIA, or anyone else or any other agency knew the totality of the September 11 plot before it was carried out, it now seems fairly clear that there were known pieces of information, which, if thoroughly and properly analyzed, could have put our Government on a higher state of alert for a major terrorist attack upon the United States.

President Bush himself has acknowledged that our intelligence agencies were not connecting the dots that would have prepared our homeland for a devastating act of terrorism. In partial response, the President has proposed the creation of a Department of Homeland Security with a new bureau that is intended to sort through the intelligence reports and hopefully connect the dots that are sometimes overlooked or unappreciated by the FBI and/or CIA. The proposal has some merit. However, I am troubled with the manner in which this and other proposals are being crafted by the administration. Shrouded often in ambiguity and cloaked often in deep secrecy, this administration continues suddenly to sometimes unexpectedly drop its decisions upon the public and Congress, and then expect obedient approval without question, without debate, and without opposition.

The Senate is not like that. We scrutinize, we debate, we ask questions.

For months, the President has been sending signals that U.S. efforts to topple Saddam Hussein's regime in Iraq will involve direct military action. In his State of the Union address on January 29, 2002, the President listed Iraq as a member of an "axis of evil" that seeks to attack the United States with acts of terrorism and weapons of mass destruction. The President punctuated

his bold words with a warning that he "will not wait on events, while dangers gather," and that "the United States of America will not permit the world's most dangerous regimes to threaten us with the world's most destructive weapons."

That is saber rattling. This saber rattling prompted many questions for the American public, for Members of Congress, and for our allies. The question being: Will we invade Iraq? When will it happen? Will the United States go it alone? These are some of the questions.

On February 12, 2002, during a Budget Committee hearing, I questioned the Secretary of State about the administration's designs on Iraq. Unfortunately, the answers I got were not sufficiently clear to put to rest my questions. Secretary of State Powell stated that the President had "made no decisions about war."

Now, Mr. President, when I was in a two-room school in Algonquin, WV, in 1923, I could read through that answer. That should not require the mind of a genius to interpret.

Secretary Powell stated that the President had "made no decisions about war." So my question remained unanswered.

The Secretary, for whom I have a great deal of respect and with whom I have been associated for many years in several difficult decisions that have arisen over those years, the Secretary of State also stated that he—meaning the President—"has no plan on his desk right now to begin a war with any nation."

I go back to that two-room schoolhouse in Algonquin in southern West Virginia. I can figure that out. That is not answering the question. Everybody knew it. The Secretary of State knew it. He did not intend to answer that question. While I have a great deal of respect for Secretary Powell, his answers provided more in the way of qualifications and confusion than in the pursuance of clarity.

Earlier this month, President Bush added another dimension to our national security policy. On June 1, 2002, he addressed the cadets at West Point on the progress of the war on terrorism. In his remarks, the President argued that deterrence and containment by themselves are not enough to fight terrorism. He said, "In the world we have entered, the only path to safety is the path of action." And he urged Americans "to be ready for preemptive action when necessary."

In order to be ready for such action, the President said that the U.S. military "must be ready to strike at a moment's notice in any dark corner of the world."

According to a Washington Post article on June 10, the National Security Council is drafting a new defense doctrine to emphasize the use of preemptive attacks against terrorists and rogue nations. According to this article, the Department of Defense is also now studying how to launch "no warning" raids using a "Joint Stealth Task